STATE OF MISSISSIPPI OFFICE OF THE GOVERNOR DIVISION OF MEDICAID

STATE PLAN

GUIDELINES FOR THE REIMBURSEMENT FOR MEDICAL ASSISTANCE RECIPIENTS

> \mathbf{OF} LONG TERM CARE FACILITIES

TN NO 93-08 DATE RECEIVED APR 1 1995
TN NO 79-06 DATE EFFECTIVE 1993

TABLE OF CONTENTS

Chapter or Section Number	Subject	Page
	Introduction	11
1	Principles and Procedures	
1-1	General Principles	14
1-2	Classes of Facilities	14
1-3	Cost Reporting	15
	A. Reporting Period	15
	B. When to File	16
	C. Extension for Filing	16
	D. Delinquent Cost Reports	17
	E. What to Submit	17
	F. Where to File	19
	G. Cost Report Forms	19
•	H. Amended Cost Reports	20
	I. Desk Reviews	20
	J. Audits of Financial Records	22
	K. Record Keeping Requirements	23
	L. Failure to File a Cost Report	25
	M. Change of Ownership	25

TN	NO	93-08	DATE	RECEIVED	400 4 4	4005
TN	NO	SUPERSEDES 79-06		APPROVED EFFECTIVE	APR 1 1	1995 † 199 3

Chapter or Section				
Number	<u>s</u>	ubject	Page	
	N.	Increase or Decrease in Number of		
		Medicaid Certified Beds	2	7
	0.	New Providers	2	8
	P.	Out-of-State Providers	3	0
	Q.	Change of Classification	3	2
1-4	Resi	dent Fund Accounts	3	3
1-5	Admi	ssion, Transfer, and		
	Disc	harge Rights	3	3
1-6	Paym	ents to Providers	3	3
	A.	Acceptance of Payment	3	3
	в.	Assurance of Payment	3	4
	c.	Upper Limits based on Customary		
		Charges	3	4
	D.	Overpayments	3	5
	E.	Underpayments	3	5
•	F.	Credit Balances	3	6
1-7	Appe	als and Sanctions	3	6
	Α.	Appeal Procedures	3	6
	в.	Grounds for Imposition of Sanctions	3	9
	c.	Sanctions	4:	2
1-8	Publ	ic Notification	4:	2

TN NO 93-08 DATE RECEIVED ADD 1995
TN NO 79-06 DATE EFFECTIVE 1993

Chapter or Section Number		<u>s</u>	ubject	<u>Paģe</u>
1-9	Plan	Amen	dments	43
1-10	Tech	nical	Advisory Committee on Case Mix	
		Reim	bursement and Quality Assurance	43
1-11	Spec	ial S	ervices	43
	A.	Swin	g Bed Services	43
	В.	Serv	ices for Children Under Age 21	46
2	Stan	dards	for Allowable Costs	
2-1	Allo	wable	and Nonallowable Costs	48
<u>-</u>	A.	Allo	wable Costs	49
		1.	Accounting Fees	49
		2.	Advertising Costs - Allowable	49
		3.	Barber and Beauty Expense	52
		4.	Board of Directors Fees	52
		5.	Compensation of Outside Consultants	53
		6.	Contract Labor	54
		7.	Depreciation Expense	54
		8.	Dues	56
		9.	Legal Fees	58
		10.	Management Fees Paid to Related	
			Parties and Home Office Costs	58
		11.	Management Fees Paid to Unrelated	
			Parties	59

TN NO 93-08
SUPERSEDES DATE RECEIVED DATE APPROVED DATE EFFECTIVE
TN NO 79-06
DATE EFFECTIVE
1995
1993



Chapter	or
Section	
Number	

mber		<u>s</u>	ubject	Page
		12.	Organization Costs	59
		13.	Owner's Salaries	60
		14.	Personal Hygiene Items	62
		15.	Salaries and Fringe Benefits	63
		16.	Start-Up Costs	64
		17.	Supplies and Materials	65
		18.	Therapy Expenses	66
		19.	Travel	67
<u> </u>		20.	Utilities	67
	в.	Non-	Allowable Costs	67
		1.	Advertising Expense-Non-allowable	67
		2.	Bad Debts	68
		3.	Barber and Beauty Expense	69
		4.	Contributions	69
		5.	Income Taxes - State and Federal	69
		6.	Life Insurance - Officers, Owners	
•			and Key Employees	70
		7.	Non-Nursing Facility Costs	71
		8.	Nurse Aide Testing and Training	71
		9.	Other Non-allowable Costs	72

TN NO	93-08	DATE	RECEIVED	100	
	SUPERSEDES	DATE	RECEIVED APPROVED	APR]	1995
TN NO	80-03	DATE	EFFECTIVE	- 1111 - 9 1	1993

Chapter or Section		
Number	Subject	Page
	10. Penalties and Sanctions	72
	11. Television	. 72
	12. Vending Machines	72
2-2	Nurse Aide Training and Competency	
	Testing	73
2-3	Related Party Transactions	74
	A. Allowability of Costs	74
	B. Determination of Common Ownership	
±	or Control	75
	C. Exception	75
	D. Definitions	76
2-4	Private Room Charge	78
2-5	Reserved Bed Days Payments	79
	A. Hospital Leave	79
	B. Home / Therapeutic Leave	80
	C. Bed Hold Days Payment	81
3	Rate Computation - Nursing Facilities	
3-1	Rate Computation - Nursing Facilities -	
_	General Principles	82
3-2	Resident Assessments	82

TN NO	93-08	DATE	RECEIVED	740-	
TN NO	SUPERSEDES 79-06	DATE DATE	APPROVED EFFECTIVE	APR 1	

Chapter or Section			rage /
Number	Α.	<u>Subject</u> Submission of MDS Forms	<u>Page</u> 83
	В.	Assessments Used to Compute a Facility's	5
		Average Case Mix Score	84
	C.	Audits of the MDS	85
	D.	Error Reports, Roster Reports, Bed Hold	
		Reports, and Discharge/Admission Reports	86
	E.	MDS+ Forms Which Can Not Be Classified	88
	F.	Failure to Submit MDS Forms	88
3 - 3	Resi	dent Classification System	89
3 - 4	Comp	outation of Per Diem Rate for Nursing Facil	lities
			98
	Α.	Direct Care Base Rate and Care	
		Related Rate Determination	99
	В.	Direct Care Access and Quality	
		Incentives	107
	C.	Case Mix Adjusted Per Diem Rate	108
	D.	Administrative and Operating Rate	109
	E.	Property Payment	112
	F.	Return on Equity Payment	129
	G.	Total Base Rate	132
3 - 5	Occu	pancy Allowance	132
3 - 6	Stat	e Owned NF's	133
3-7	Adju	stments to the Rate for Changes in Law	133
		TN NO 99-02 DATE RECEIVED 6 SUPERSEDES DATE APPROVED 1 TN NO 96-09 DATE EFFECTIVE 1	1/19

ATTACHMENT	4.	19-	-D
	_		_

Chapter or Section			Page 8
Number		Subject	Page
4	Rate	Computation - ICF-MR's	134
4-1	Rate	Computation - ICF-MR's -	
		General Principles	134
4-2	Comp	utation of Rate for Intermediate	
	Care	Facilities for the Mentally	
	Reta	rded	134
	A.	Direct Care, Therapies, Care	
		Related, and Administrative and	
	-	Operating Rate Determination	135
	В.	Property Payment	137
	c.	Return on Equity Payment	140
	D.	Total Rate	142
	Ε.	State Owned ICF-MR's	143
	F.	Adjustments to the Rate for Changes in	
		Law or Regulation	143
5	Rate	Computation - Residential Psychiatric	
		Treatment Facilities	
5-1	Rate	Computation - PRTF's -	
		General Principles	144

TN NO 94-18 DATE RECEIVED
SUPERSEDES DATE APPROVED DATE EFFECTIVE 1994

· . . ·

Chapter or Section			· ·	
Number		Subject	Page	
5-2	Rate	Computation for PRTF's	144	
	A.	Direct Care, Therapies, Care		
		Related, and Administrative and		
		Operating Rate Determination	145	
	В.	Property Payment	147	
	c.	Return on Equity Payment	150	
	D.	Total Rate	153	
	E.	Adjustments to the Rate for Changes		
		in Law or Regulation	153	
	F.	Calculation of the Rate for One		
		Provider	153	
6	Hold Harmless For Capital Costs			
6-1	Computation of Hold Harmless for			
	Capital Costs			
6-2	Documentation Required for Hold			
	Harm!	less Eligibility	159	

TN NO	SUPERSEDES	DATE	RECEIVED APPROVED	FEB 1 0	
110 100	93-08	DATE	EFFECTIVE	-0.07 - 0.1	1994

Attachment 4.19-D Page 10

6-3	Disqualification From Hold Harmless		
	Provision	159	
7	Trend Factors		
7-1	Trend Factor - General Principles	161	
7-2	Trend Factor Computation	161	
	A. Cost Reports Used in the Calculation		
	of the Trend Factors	161	
	B. Computation of the Trend Factors	162	
7-3	Trend Factors - Nursing Facilities	164	
7-4	Trend Factor - PRTF's and ICF-MR's	166	
8	Definitions	170	